

**BUSINESS & FINANCIAL OVERVIEW**

## European Shares Seen Subdued As Trade Optimism Fades

European stocks are likely to open lower on Wednesday amid fading optimism over a U.S.-China phase-one deal and ahead of the Federal Reserve's highly anticipated decision on interest rates, due out later in the day.

Asian markets moved in a thin range as doubts have begun to emerge about whether the U.S. and China will be able to complete an interim trade agreement for signing in Chile next month.

The dollar traded flat as markets brace for what seems almost assuredly to be a third rate cut in as many meetings of the Federal Reserve later today.

The Federal Open Market Committee announcement is scheduled for 2:00 p.m. ET, followed by a press conference with Powell at 2:30 p.m. ET.

The interest-rate decision will come hours after the release of U.S. GDP data which is expected to show a further slowdown in the third quarter.

Gold held firm while oil prices dropped on reports of possible delay in the U.S.-China trade pact.

In economic releases, U.K. shop prices fell for the fifth consecutive month in October, data from the British Retail Consortium showed earlier today.

The BRC-Nielsen shop price index dropped 0.4 percent year-on-year in October due to continuing decline in non-food prices.

Food prices advanced 1.6 percent on a yearly basis, while non-food prices decreased 1.5 percent in October.

The European Commission is scheduled to issue euro area economic confidence survey data later in the day. The economic sentiment index is forecast to drop to 101.1 in October from 101.7 in September.

U.S. stocks ended lower overnight as trade headlines and a spate of corporate earnings weighed on markets ahead of the Fed decision.

The Dow Jones Industrial Average and the S&P 500 edged down around 0.1 percent while the tech-heavy Nasdaq Composite shed 0.6 percent.

European markets fell broadly on Tuesday as traders monitored earnings, Brexit news and the latest developments on the U.S.-China trade front.

The pan European Stock 600 declined 0.2 percent. The German DAX ended marginally lower and the U.K.'s FTSE 100 eased 0.3 percent while France's CAC 40 index inched up 0.2 percent.

